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Decision folder

BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission
DOCKETED

MAR 30 2001

1
2 WILLIAM A. MUNDELL
Chairman
3 JIM IRVIN
Commissioner
4 MARC SPITZER
Commissioner
5

DC sd

6 IN THE MATTER OF THE JOINT APPLICATION
OF TUCSON ELECTRIC POWER COMPANY,)
7 AN ARIZONA CORPORATION, AND TRICO)
ELECTRIC COOPERATIVE, INC., AN ARIZONA)
8 CORPORATION, FOR AN ORDER APPROVING)
A BORDERLINE AGREEMENT)
9

DOCKET NOS. E-01461A-01-0083
E-01933A-01-0083

DECISION NO. 63512

ORDER

10 Open Meeting
March 27 and 28, 2001
11 Phoenix, Arizona

12 BY THE COMMISSION:

13 FINDINGS OF FACT

14 1. On January 26, 2001, Tucson Electric Power Company ("TEP") and Trico Electric
15 Power Cooperative ("Trico") filed a joint application that would allow Trico to serve property owned
16 by Mr. Barry Bender ("Bender") which is located within the certificated area of TEP.

17 2. Both TEP and Trico are engaged in providing electric service within portions of Pima
18 County, Arizona, pursuant to the authority granted by the Arizona Corporation Commission.

19 3. The Bender property is located within TEP's certificated area. However, Trico's
20 facilities exist along the western boundary of the Bender property.

21 4. On January 26, 2001, TEP and Trico entered into a Borderline Agreement whereby TEP
22 has authorized Trico to serve the Bender property by an extension of Trico's facilities.

23 5. TEP's nearest existing facilities are located approximately 2,500 feet from the property.
24 Per TEP's service tariff, the property owner would incur approximately \$10,000 in costs to extend the
25 TEP facilities to serve the property.

26 6. In contrast, Trico's existing facilities are well within the 600-foot distance allowance per
27 Trico's service tariff, as such Bender would be able to obtain service from Trico under standard service
28 charges.

1 7. Under the terms of the borderline agreement, TEP has reserved the right to provide
2 service to the Bender property when TEP determines that it is economical to do so. In the event TEP
3 elects to provide service, TEP will compensate Trico for any Trico facilities used to provide such
4 service.

5 8. On March 15, 1999, in Decision No. 61570, the Commission authorized a TEP-Trico
6 Borderline Service Agreement for an adjacent Bender property that is similar to the property proposed
7 in this case.

8 9. Staff believes that the borderline agreement is in the public interest as it will allow the
9 property owner to obtain service at a lower cost, provide Trico with additional revenue, and provide
10 TEP with the opportunity to serve the customer once the company has installed adjacent facilities.

11 CONCLUSIONS OF LAW

12 1. TEP and Trico are public service corporations within the meaning of Article XV, Section
13 2, of the Arizona Constitution.

14 2. The Commission has jurisdiction over TEP and Trico and the subject matter of the
15 application.

16 3. The Commission, having reviewed the application, the Borderline Agreement, and the
17 Staff Memorandum dated February 7, 2001, concludes that the Borderline Agreement is in the public
18 interest and should be approved.

19 ORDER

20 THEREFORE, IT IS ORDERED that the joint application of Tucson Electric Power Company
21 and Trico Electric Cooperative, Inc., for approval of the Borderline Agreement is hereby approved.

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1 IT IS FURTHER ORDERED that Tucson Electric Power shall notify the Utilities Division at
2 least sixty days prior to providing service to the Bender property.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

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5 **BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

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7 CHAIRMAN

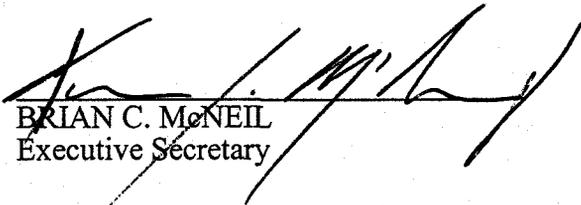
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COMMISSIONER

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COMMISSIONER

10 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
11 Secretary of the Arizona Corporation Commission, have
12 hereunto, set my hand and caused the official seal of this
13 Commission to be affixed at the Capitol, in the City of
14 Phoenix, this 30th day of March, 2001.

15 
16 BRIAN C. McNEIL
17 Executive Secretary

18 DISSENT: _____

19 DRS:JEF:lhv
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SERVICE LIST FOR: Tucson Electric Power Company and Trico Electric Cooperative, Inc.
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